

1 AN ACT concerning business.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Limited Liability Company Act is amended by
5 changing Section 50-10 and by adding Section 37-40 as follows:

6 (805 ILCS 180/37-40 new)

7 Sec. 37-40. Series of members, managers or limited
8 liability company interests.

9 (a) An operating agreement may establish or provide for the
10 establishment of designated series of members, managers or
11 limited liability company interests having separate rights,
12 powers or duties with respect to specified property or
13 obligations of the limited liability company or profits and
14 losses associated with specified property or obligations, and
15 to the extent provided in the operating agreement, any such
16 series may have a separate business purpose or investment
17 objective.

18 (b) Notwithstanding anything to the contrary set forth in
19 this Section or under other applicable law, in the event that
20 an operating agreement creates one or more series, and if
21 separate and distinct records are maintained for any such
22 series and the assets associated with any such series are held
23 (directly or indirectly, including through a nominee or
24 otherwise) and accounted for separately from the other assets
25 of the limited liability company, or any other series thereof,
26 and if the operating agreement so provides, and notice of the
27 limitation on liabilities of a series as referenced in this
28 subsection is set forth in the articles of organization of the
29 limited liability company and if the limited liability company
30 has filed a certificate of designation for each series which is
31 to have limited liability under this Section, then the debts,
32 liabilities and obligations incurred, contracted for or

1 otherwise existing with respect to a particular series shall be
2 enforceable against the assets of such series only, and not
3 against the assets of the limited liability company generally
4 or any other series thereof, and unless otherwise provided in
5 the operating agreement, none of the debts, liabilities,
6 obligations and expenses incurred, contracted for or otherwise
7 existing with respect to the limited liability company
8 generally or any other series thereof shall be enforceable
9 against the assets of such series. The fact that the articles
10 of organization contain the foregoing notice of the limitation
11 on liabilities of a series and a certificate of designation for
12 a series is on file in the Office of the Secretary of State
13 shall constitute notice of such limitation on liabilities of a
14 series. A series with limited liability shall be treated as a
15 separate entity to the extent set forth in the articles of
16 organization. Each series with limited liability may, in its
17 own name, contract, hold title to assets, grant security
18 interests, sue and be sued and otherwise conduct business and
19 exercise the powers of a limited liability company under this
20 Act. The limited liability company and any of its series may
21 elect to consolidate their operations as a single taxpayer to
22 the extent permitted under applicable law, elect to work
23 cooperatively, elect to contract jointly or elect to be treated
24 as a single business for purposes of qualification to do
25 business in this or any other state. Such elections shall not
26 affect the limitation of liability set forth in this Section
27 except to the extent that the series have specifically accepted
28 joint liability by contract.

29 (c) The name of the series with limited liability must
30 contain the entire name of the limited liability company and be
31 distinguishable from the names of the other series set forth in
32 the articles of organization.

33 (d) Upon the filing of the certificate of designation with
34 the Secretary of State setting forth the name of each series
35 with limited liability, the series' existence shall begin, and
36 each of the duplicate copies stamped "Filed" and marked with

1 the filing date shall be conclusive evidence, except as against
2 the State, that all conditions precedent required to be
3 performed have been complied with and that the series has been
4 or shall be, on a later date if so specified in the articles of
5 organization or certificate of designation, legally organized
6 and formed under this Act. If different from the limited
7 liability company, the certificate of designation for each
8 series shall list the names of the members if the series is
9 member managed or the names of the managers if the series is
10 manager managed. The name of a series with limited liability
11 under subsection (b) of this Section may be changed by filing
12 with the Secretary of State a certificate of designation
13 identifying the series whose name is being changed and the new
14 name of such series. If not the same as the limited liability
15 company, the names of the members of a member managed series or
16 of the managers of a manager managed series may be changed by
17 filing a new certificate of designation with the Secretary of
18 State. A series with limited liability under subsection (b) of
19 this Section may be dissolved by filing with the Secretary of
20 State a certificate of designation identifying the series being
21 dissolved or by the dissolution of the limited liability
22 company as provided in subsection (m) of this Section.
23 Certificates of designation may be filed by the limited
24 liability company or any manager, person or entity designated
25 in the operating agreement for the limited liability company.

26 (e) A series of a limited liability company will be deemed
27 to be in good standing as long as the limited liability company
28 is in good standing.

29 (f) The registered agent and registered office for the
30 limited liability company in Illinois shall serve as the agent
31 and office for service of process in Illinois for each series.

32 (g) An operating agreement may provide for classes or
33 groups of members or managers associated with a series having
34 such relative rights, powers and duties as the operating
35 agreement may provide, and may make provision for the future
36 creation of additional classes or groups of members or managers

1 associated with the series having such relative rights, powers
2 and duties as may from time to time be established, including
3 rights, powers and duties senior to existing classes and groups
4 of members or managers associated with the series.

5 (h) A series may be managed by either the member or members
6 associated with the series or by a manager or managers chosen
7 by the members of such series, as provided in the operating
8 agreement. Unless otherwise provided in an operating
9 agreement, the management of a series shall be vested in the
10 members associated with such series.

11 (i) An operating agreement may grant to all or certain
12 identified members or managers or a specified class or group of
13 the members or managers associated with a series the right to
14 vote separately or with all or any class or group of the
15 members or managers associated with the series, on any matter.
16 An operating agreement may provide that any member or class or
17 group of members associated with a series shall have no voting
18 rights.

19 (j) Except to the extent modified in this Section, the
20 provisions of this Act which are generally applicable to
21 limited liability companies, their managers, members and
22 transferees shall be applicable to each particular series with
23 respect to the operation of such series.

24 (k) Except as otherwise provided in an operating agreement,
25 any event under this Act or in an operating agreement that
26 causes a manager to cease to be a manager with respect to a
27 series shall not, in itself, cause such manager to cease to be
28 a manager of the limited liability company or with respect to
29 any other series thereof.

30 (l) Except as otherwise provided in an operating agreement,
31 any event under this Act or an operating agreement that causes
32 a member to cease to be associated with a series shall not, in
33 itself, cause such member to cease to be associated with any
34 other series or terminate the continued membership of a member
35 in the limited liability company or cause the termination of
36 the series, regardless of whether such member was the last

1 remaining member associated with such series.

2 (m) Except to the extent otherwise provided in the
3 operating agreement, a series may be dissolved and its affairs
4 wound up without causing the dissolution of the limited
5 liability company. The dissolution of a series established in
6 accordance with subsection (b) of this Section shall not affect
7 the limitation on liabilities of such series provided by
8 subsection (b) of this Section. A series is terminated and its
9 affairs shall be wound up upon the dissolution of the limited
10 liability company under Section 35 of this Act.

11 (n) If a limited liability company with a series does not
12 register to do business in a foreign jurisdiction for itself
13 and certain of its series, a series of a limited liability
14 company may itself register to do business as a limited
15 liability company in the foreign jurisdiction in accordance
16 with the laws of the foreign jurisdiction.

17 (o) If a foreign limited liability company, as permitted in
18 the jurisdiction of its organization, has established a series
19 having separate rights, powers or duties and has limited the
20 liabilities of such series so that the debts, liabilities and
21 obligations incurred, contracted for or otherwise existing
22 with respect to a particular series are enforceable against the
23 assets of such series only, and not against the assets of the
24 limited liability company generally or any other series
25 thereof, or so that the debts, liabilities, obligations and
26 expenses incurred, contracted for or otherwise existing with
27 respect to the limited liability company generally or any other
28 series thereof are not enforceable against the assets of such
29 series, then the limited liability company, on behalf of itself
30 or any of its series, or any of its series on their own behalf
31 may register to do business in the State in accordance with
32 Section 45-5 of this Act. The limitation of liability shall be
33 so stated on the application for admission as a foreign limited
34 liability company and a certificate of designation shall be
35 filed for each series being registered to do business in the
36 State by the limited liability company. Unless otherwise

1 provided in the operating agreement, the debts, liabilities and
2 obligations incurred, contracted for or otherwise existing
3 with respect to a particular series of such a foreign limited
4 liability company shall be enforceable against the assets of
5 such series only, and not against the assets of the foreign
6 limited liability company generally or any other series thereof
7 and none of the debts, liabilities, obligations and expenses
8 incurred, contracted for or otherwise existing with respect to
9 such a foreign limited liability company generally or any other
10 series thereof shall be enforceable against the assets of such
11 series.

12 (805 ILCS 180/50-10)

13 Sec. 50-10. Fees.

14 (a) The Secretary of State shall charge and collect in
15 accordance with the provisions of this Act and rules
16 promulgated under its authority all of the following:

17 (1) Fees for filing documents.

18 (2) Miscellaneous charges.

19 (3) Fees for the sale of lists of filings and for
20 copies of any documents.

21 (b) The Secretary of State shall charge and collect for all
22 of the following:

23 (1) Filing articles of organization ~~of limited~~
24 ~~liability companies~~ (domestic), application for admission
25 (foreign), and restated articles of organization
26 (domestic), \$500. Notwithstanding the foregoing, the fee
27 for filing articles of organization (domestic),
28 application for admission (foreign), and restated articles
29 of organization (domestic) in connection with a limited
30 liability company with a series pursuant to Section 37-40
31 of this Act is \$750.

32 (2) Filing amendments:

33 (A) For other than change of registered agent name
34 or registered office, or both, \$150.

35 (B) For the purpose of changing the registered

- 1 agent name or registered office, or both, \$35.
- 2 (3) Filing articles of dissolution or application for
3 withdrawal, \$100.
- 4 (4) Filing an application to reserve a name, \$300.
- 5 (5) (Blank).
- 6 (6) Filing a notice of a transfer of a reserved name,
7 \$100.
- 8 (7) Registration of a name, \$300.
- 9 (8) Renewal of registration of a name, \$100.
- 10 (9) Filing an application for use of an assumed name
11 under Section 1-20 of this Act, \$150 for each year or part
12 thereof ending in 0 or 5, \$120 for each year or part
13 thereof ending in 1 or 6, \$90 for each year or part thereof
14 ending in 2 or 7, \$60 for each year or part thereof ending
15 in 3 or 8, \$30 for each year or part thereof ending in 4 or
16 9, and a renewal for each assumed name, \$150.
- 17 (10) Filing an application for change of an assumed
18 name, \$100.
- 19 (11) Filing an annual report of a limited liability
20 company or foreign limited liability company, \$250, if
21 filed as required by this Act, plus a penalty if
22 delinquent. Notwithstanding the foregoing, the fee for
23 filing an annual report of a limited liability company or
24 foreign limited liability company is \$250 plus \$50 for each
25 series for which a certificate of designation has been
26 filed pursuant to Section 37-40 of this Act, plus a penalty
27 if delinquent.
- 28 (12) Filing an application for reinstatement of a
29 limited liability company or foreign limited liability
30 company \$500.
- 31 (13) Filing Articles of Merger, \$100 plus \$50 for each
32 party to the merger in excess of the first 2 parties.
- 33 (14) Filing an Agreement of Conversion or Statement of
34 Conversion, \$100.
- 35 (15) Filing a statement of correction, \$25.
- 36 (16) Filing a petition for refund, \$15.

1 (17) Filing any other document, \$100.

2 (18) Filing a certificate of designation of a limited
3 liability company with a series pursuant to Section 37-40
4 of this Act, \$50.

5 (c) The Secretary of State shall charge and collect all of
6 the following:

7 (1) For furnishing a copy or certified copy of any
8 document, instrument, or paper relating to a limited
9 liability company or foreign limited liability company, \$1
10 per page, but not less than \$25, and \$25 for the
11 certificate and for affixing the seal thereto.

12 (2) For the transfer of information by computer process
13 media to any purchaser, fees established by rule.

14 (Source: P.A. 92-33, eff. 7-1-01; 93-32, eff. 12-1-03; 93-59,
15 eff. 7-1-03; revised 9-5-03.)

16 Section 99. Effective date. This Act takes effect July 1,
17 2005.